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SENSITIVE
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SUBJECT: What to do with Migrant Workers: Guangxi Government and NGO Plan to Keep 'Em Down on the Farm

This cable is sensitive but unclassified. Please handle accordingly.

¶1. (SBU) Summary: Authorities and NGOs don't know how many migrant workers will remain in Guangxi after the Chinese New Year, but they're getting ready for them. Local governments in the Guangxi Zhuang Autonomous Region are currently encouraging workers who choose to remain in the autonomous region rather than venture to other provinces in search of jobs to start their own business or return to farming. One officially registered NGO, partnering with the Guangxi Civil Affairs Department, believes that workers who remain behind will be a force for strengthening familial and social ties within their Guangxi communities. End summary.

Still No Hard Data on Migrant Numbers

¶2. (SBU) Though the Guangxi Labor and Social Security Department shows 4.1 million migrant workers working outside Guangxi, with 635,000 having returned by the end of December 2008, authorities and NGOs alike remain uncertain how many will choose to stay in the Guangxi Zhuang Autonomous Region following the late-January Chinese New Year holiday season. World Vision Assistant Program Officer Vivian Pang said that her NGO was currently in the process of visiting families in project villages to collect data, but she noted that preliminary findings show large numbers of men, especially, returning to their families from work in other regions of China. The government still lacks data on how many migrants plan to stay after the Chinese New Year, according to Guangxi Civil Affairs Department Deputy Director Yang Guoyi.

Welcome Back! Please Start a Business or Do Some Farming.

¶3. (SBU) In addition to Guangxi's preexisting policy of providing a minimum income safety net for residents living in extreme poverty, local government is currently encouraging returning migrant workers to start their own business in their home town or develop their land for farming, said Yang, who claimed that small-scale farming remains an economically viable option in Guangxi. In a recent media interview, Guangxi Labor and Social Security Department Director General Jiang Minghong said that in 2009 a total of RMB 240 million (approximately USD 35.1 million) -- RMB 80 million from the Guangxi Financial Bureau, RMB 80 million from county-level financial bureaus in Guangxi and RMB 80 million from the central government -- would be spent on vocational training and farming training programs for returning migrant workers. Jiang went on to say that Guangxi would also take RMB 150 million (almost USD 22 million) from its

unemployment insurance fund and use the money for the training of laid-off workers.

¶14. (U) At least three other areas of Guangxi known for exporting labor have recently touted their plans to reintegrate returning workers. Tianyang County, which dispatched more than 78,000 migrant workers to other provinces last year, said on a government website that of the first 2,468 workers to return for the Chinese New Year, 1,826 had found jobs locally with the help of the county government.

In Guigang city, the government said that vocational training and job fairs would be held free of charge to returning migrants. The city government also subsidizes local enterprises that employ returned workers at the rate of RMB 100 to RMB 350 (USD 15-50) for each worker. In Guiping City, where tens of thousands of migrant workers had already returned even before the official start of the New Year holidays, the local Rural Credit Cooperative had granted returned migrants small business development loans totaling RMB 23.6 million (USD 3,450,000) by December 2008. The cooperative simplified loan application procedures and offered discounted interest rates for the returned workers, according to media reports.

Economic Downturn Potentially a Chance to Build Families

¶15. (SBU) Cooperation with local government is important to ensure that NGO efforts to help migrant workers are sustainable, said Pang.

Pang cited existing programs in some middle schools where teachers and older students help younger students to cope with parental absence as examples of successful government-NGO cooperation. This Chinese New Year, World Vision hopes to convince returning migrant

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parents to remain with their families in Guangxi and build more normal family relationships, according to Pang, who said that many left-behind children (liu shou er tong) suffer from "psychological loneliness" and other issues only partially addressed through public services.

¶16. (U) This cable is a cooperative effort between Consulate General Guangzhou and Embassy Beijing.

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